

May 4, 1993

LB 798, 799A, 800

year, and \$350,000 in the years ahead. So, I ask for advancement of this A bill.

SPEAKER BAACK: Discussion on LB 799A? Seeing none, we will now vote on the advancement of LB 799A. All those in favor vote aye, opposed vote no. Record, Mr. Clerk.

CLERK: 26 ayes, 0 nays, Mr. President, on the advancement of 799A.

SPEAKER BAACK: LB 799A advances. Now we'll go to LB 800.

CLERK: LB 800, offered by Senator Wesely and a number of the members. (Read title.) The bill was introduced on January 21, referred to the Health Committee, advanced to General File. I do have committee amendments pending, Mr. President.

SPEAKER BAACK: Senator Wesely, on the committee amendments.

SENATOR WESELY: Thank you. Mr. Speaker, really the committee amendments are the essence of the bill. The bill came to us from the Department of Social Services. And they were concerned once again with individuals taking advantage of our trust laws, to hide assets in order to qualify for Medicaid. Now, previously with LB 798 we dealt with the individuals that hide assets to go into nursing homes. Here we're dealing with individuals that put assets into trusts and then qualify for other Medicaid services. This has happened and the department is aware of this occurring, and had no legal recourse to deal with it. And so they asked for the bill and the committee did advance the bill. And, essentially again, what we tried to do here is recognize that an individual who sets up a trust for themselves and then attempts to go on to Medicaid would have that trust reviewed in their application. And if that is the case, that they've set up a trust for themselves, and they will do this and then say the trust shall not be allowed to be used for public assistance, now under this bill that would no longer be possible to, I should say it's possible to do it, but it would not then allow you to qualify for Medicaid. They would ignore that provision in the trust saying that it can't be used for public assistance, and say, look, you can't use that mechanism to hide assets and then get onto Medicaid. So that provision would be changed. But then we also recognize in the committee amendments that there are those individuals who set up trusts for beneficiaries who...they're not necessarily legally